

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF DUKE ENERGY)	CASE NO. 2012-00048
KENTUCKY, INC.)	

O R D E R

On December 29, 2009, in Case No. 2009-00202,¹ the Commission approved rates for Duke Energy Kentucky, Inc. ("Duke") and provided for their further adjustment in accordance with Duke's Gas Cost Adjustment ("GCA") clause.

On February 10, 2012, Duke filed its GCA to be effective March 1, 2012.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Duke's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Duke's Expected Gas Cost ("EGC") is \$4.333 per Mcf, which is a decrease of \$.424 per Mcf from its previous EGC of \$4.757 per Mcf.
3. Duke's notice sets out its current quarter Refund Adjustment ("RA") of (\$.001) per Mcf. Duke's total RA is (\$.004) per Mcf, which represents no change from its previous total RA.

¹ Case No. 2009-00202, Application of Duke Energy Kentucky, Inc. for an Adjustment of Rates (Ky. PSC Dec. 29, 2009).

4. Duke's notice sets out its current quarter Actual Adjustment ("AA") of \$.174 per Mcf. Duke's total AA is (\$.134) per Mcf, which represents a decrease of \$.198 per Mcf from its previous total AA of \$.064 per Mcf.

5. Duke's notice sets out a current quarter Balancing Adjustment ("BA") of \$.000 per Mcf. Duke's total BA of \$.004 per Mcf represents an increase of \$.003 per Mcf from its previous total BA of \$.001 per Mcf.

6. Duke's Gas Cost Recovery ("GCR") rate is \$4.199 per Mcf, which is a decrease of \$.619 per Mcf from its previous GCR of \$4.818 per Mcf.

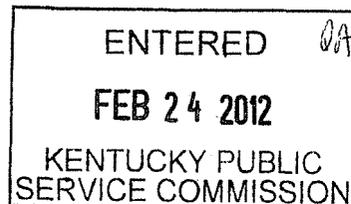
7. The rates as proposed by Duke and set forth in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Duke on and after March 1, 2012.

IT IS THEREFORE ORDERED that:

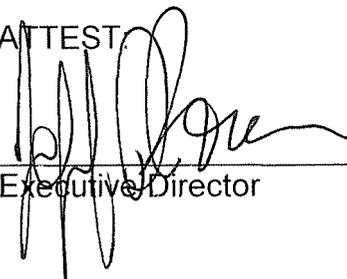
1. The rates proposed by Duke and set forth in the Appendix to this Order are approved for final meter readings on and after March 1, 2012.

2. Within 20 days of the date of this Order, Duke shall file its revised tariff sheets with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00048 DATED FEB 24 2012

The following rates and charges are prescribed for the customers served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.37213	plus	\$.4818	\$.85393

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.20530		\$.4818	\$.6871

RIDER GCAT
GAS COST ADJUSTMENT TRANSITION RIDER

The amount of this charge or (credit) shall be (\$.0134) per 100 cubic feet. This rate shall be in effect during the months of March 2012 through May 2012 and shall be updated quarterly, concurrent with the Company's GCA filings.

John Linton
Duke Energy Kentucky, Inc.
139 East 4th Street, R. 25 At II
P. O. Box 960
Cincinnati, OH 45201